

BAYSHORE SANITARY DISTRICT
MINUTES
Regular Meeting of January 27, 2022

Opening of Meeting and Roll Call:

The meeting was called to order at 7:07 P.M. As permitted per State of California Executive Orders N-29-20 and N-08-21 the meeting of the Bayshore Sanitary District was conducted via Zoom. Members of the public were invited to join the meeting. The information on how to join the meeting was included in the posted agendas.

Present: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Absent: None
Staff: Maintenance Director Landi, Engineer Yeager, Counsel Hundley and District Clerk Landi

Oral and Written Communications: (Concerning matters not on the Agenda; no action will be taken nor will extended discussion be permitted.)

- (1) Communications from members of the public
None
- (2) Communications from members of the District Board and Staff
Engineer Yeager received a letter from Florian, 200 Industrial Way, regarding the billing for exceeding their capacity entitlement. They advised that they are installing a water recycling machine for use with the hydraulic metal cutter machinery. A letter will be sent rescinding the capacity billing and we will monitor their water usage.
- (3) Acknowledgment of recent communications to the District
President Gallagher referenced an email received today from CSDA regarding the Special District Leadership Academy sessions scheduled for this year. Each session will be 2½ days and are being held in San Diego and Napa. She asked Directors to give this some thought and we will discuss at the February meeting.

Consent Agenda: (Any member of the Board or the public can request that an item be removed from the Consent Agenda. If there are no objections all items are voted upon by one motion.)

- (4) Minutes of the Special and Regular Meetings of December 16, 2021
- (5) Payment authorization for bills and compensation
- (6) Accept December, 2021 report on District's current financial status
- (7) Accept December, 2021 checking account reconciliation

A motion was made by Director Swanbeck, seconded by Director Constantino and unanimously passed by voice vote to approve consent items 4-7.

Board Reports – consideration of matters relating to:

- (8) President Gallagher
 - (a) LAFCo: There was no meeting in January.
 - (b) CSDA – Local Chapter: No report.

(9) Daly City: No report.

(10) Brisbane: No report.

Staff Reports:

(11) Maintenance Director – consideration of matters relating to:

(a) Monthly report on District operations and maintenance: Overall the Carlyle Pump (CPS) Station is operating well. There was a minor problem with pump #3. When there is heavy rain the pump gets air locked and won't pump. It must be bled and primed.

The Midway Village project is moving along but there have been some design issues.

Conducted final inspection of 5 laterals at the Overlook project. One lateral had to be cleaned and reinspected. There are about 20-25 homes left before the development is complete.

The lateral at 446 Oriente Street was replaced on January 21 by US Underground.

As noted in the monthly report there was a service request at 3 Nancy Lane. North San Mateo County Sanitation District responded and cleared the lateral.

(12) District Engineer – consideration of matters relating to:

(a) December meter reading data: There were 11 rain fall events in December totaling 9.6 inches. The average daily flow was 480,806 gallons. Comparing the last 6 months of 2021 vs. 2020 indicates a 15% increase in the discharge from the CPS.

(b) Midway Village: During construction it was discovered that the 72" storm line was actually a box culvert and it conflicted with a new 8" sewer. A new design was issued and we accepted. The contractor issues a Method of Procedure (MOP) which documents how the contractor plans to implement the design. Engineer Yeager believes it is a good way to preplan construction.

(c) PG&E Egbert electric transmission line: PG&E has done a poor job of coordinating with Daly City. There have been a series of zoom meetings. The utilities as shown on the PG&E plans are not where they are actually located and they don't show clearances. We received USA marking requests for the project 2 days ago. We have a problem with where the transmission line sits with regard to our sewer; however, there are more problems with Daly City. Mr. Yeager explained how they trench and backfill and wonders how they will prevent trench cave in. PG&E intends to start February 4 but that isn't going to happen since there are so many issues with Daly City. This project goes from Guadalupe Canyon Parkway to Geneva Avenue. There will be a field meeting and walk through the project. There are a lot of utilities that must be worked around.

(d) Sewer System Management Plan (SSMP): No report.

(e) Mag-Meter replacement: The quote from Telstar for the meter is \$6,466.00 and the quote from Pump Repair Service (PRS) for their work is \$7,560.00. PRS will work between 1:30 AM – 5:30 AM when the pumps operate less frequently.

(f) 446 Oriente Street: As reported under 11(a) the lateral was replaced.

(g) 1067 Schwerin Street: This is where there will be a standalone ADU. The property has an approved cleanout so no permit is required.

(h) 10 Industrial Way: We received water meter readings from May, 2021 – December, 2021. They used 174 units of water but 141 of those units were used in May-June. Only 30 units were used after that period which is when they locked the outside faucet. They used 778 units in the previous year. It is obvious that there was water theft. We can rescind the entitlement billing and will have to make an adjustment on next year's sewer service charge (SSC) since all that water did not go into the sewer. We will have to deduct that amount from our report to the SFPUC.

(i) Non-residential customers: The Engineer prepared the list of customers and provided to the SFPUC.

(j) Bridge Housing: This is a low income project at the corner of Martin and Carter Streets on property owned by Daly City. The project will be done in two phases and will include single family homes and apartments. They haven't started the EIR process. We have been provided some preliminary utility plans—schematic in nature. Engineer Yeager has attended a couple zoom meetings with Daly City Planning and Zoning. Daly City expressed concern about how this project would tie into the redevelopment of the Geneva Drive In and Cow Palace properties. Bridge Housing indicated they are in discussion with those developers. Ideally you would want to plan all the utilities together. Daly City has selected a developer for the project.

(k) SFPUC FYE 2023 and FYE 2024 budgets: Director Swanbeck alerted the Engineer about information available regarding the SFPUC budget plans. SFPUC acknowledges that Covid will continue to have an impact on revenue. Revenue is flat and expenses are increasing. With regard to wastewater enterprise, the SFPUC is going to try to not raise rates this coming year but in 2023-2024 there would be a 6% increase. They are starting budget hearings in February. It seems that they can achieve these goals by deferring capital projects. Using the annual rate method of calculating our SSC we could end up with a 0 discount rate. Using the cumulative calculation method would always be a positive number. At this time we are not sure how this will impact the r&r discount rate. It is hoped that the SFPUC will have a draft budget available before we have our budget workshop in June.

(l) SFPUC 2021-22 sewer service charge: The Engineer had questions about how the costs for the wastewater enterprise's share of the Golden Gate Avenue building are calculated. He received a satisfactory response. Another concern is the Treasure Island (TI) rate base. Mr. Yeager believes this could be a change in the terms of our contract. After consulting with District Counsel it was decided to defer discussion of this until contract negotiations begin in a couple years. The charge isn't currently a large impact but as TI develops it will become significant. He has prepared a letter accepting the charge for FY 2021-22 but will advise that we will want to open up discussion of TI when the contract is renegotiated. The Maintenance Director asked how we can be charged for a development that has no benefit to the District. Counsel researched this matter and explained that it is a very difficult claim to prove. But added that it is very reasonable to bring this up during negotiations.

(13) District Counsel – consideration of matters relating to:
None

(14) District Clerk – consideration of matters relating to:

(a) Director contact via District website: Discussed some possibilities about establishing email addresses to be used for District business. At the end of the conversation with our webmaster the Clerk concluded that since no one even uses the "Contact Us", "Send a Message" on the website this is a solution looking for a problem.

Old Business:

None

New Business:

(15) Community outreach (Director Swanbeck)

Director Swanbeck advised the Board that she is tracking several projects at various entities. The Egbert transmission line project will affect Saddleback and will be disruptive to traffic on Carter Street. The Engineer said that PG&E will need to develop a traffic control program. He added that this area was part of discussions with Daly City about all the development going on in the area.

(16) Reports on other matters: no action will be taken

None

Closed Session:

The Closed Session began at 7:59 P.M.

(18) Significant exposure to litigation pursuant to §54956.9(b): one case

The closed session ended at 8:33. There is no reportable action.

Adjournment:

The meeting was adjourned at 8:34 P.M. The next regular meeting is February 24, 2022 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary